



March 15, 2001

Hon. Stephen W. Williams, Acting Secretary
Postal Rate Commission
1333 H Street, NW, Suite 300
Washington, D.C. 20268-0001

Dear Mr. Williams:

This transmits materials responsive to Commission Rule 103 (39 C.F.R. §3001.103) in connection with the Commission's annual Report to Congress on the costs, volumes and revenues associated with international mail (39 U.S.C. § 3663). We have attached a listing that itemizes the materials provided in two levels of documentation. The first level includes the FY 2000 International Cost and Revenue Analysis (ICRA) Report (PRC Version), a FY 2000 International Cost Segments and Components (ICSC) Report (PRC Version), a FY 2000 Cost and Revenue Analysis (CRA) Report (PRC Version), and a FY 2000 Cost Segments and Components (CSC) Report (PRC Version). These reports have not been audited. The remainder of the first level includes the first two volumes of documentation. The second level includes several additional volumes of supporting documents, as listed in the attachment.

As we did last year, we have also enclosed a document labeled "Compliance Guide" that is patterned after the compliance statements typically filed with Postal Service Requests under 39 U.S.C. §§ 3622 and 3623. This guide restates each provision of Rule 103 and indicates which of the materials listed in the two levels of documentation addresses the information requirements. In some instances, the guide provides a discussion addressing the requirement, attaches a responsive internal Postal Service document, or both. Please note that in some instances the narratives contain commercially sensitive information, and that all of the attachments are considered commercially sensitive. We therefore request that, if this letter is posted on the Commission's web site, the Compliance Guide not be included.

Furthermore, we are mindful of the provision in Rule 103 that material considered commercially sensitive should be identified, and that it will not be publicly disclosed, except as required by applicable law. In this regard, for several months, the Postal Service has been attempting to incorporate a means for identifying sensitive information as a function of the development and production of the pertinent reports

and documentation. The ultimate goal of that effort is to indicate on the documentation itself, through some combination of highlighting or shading, together with explanatory annotations, which information should be withheld from public disclosure. To date, however, that project has not yet been completed. While the status of information in this regard might be partially indicated on some of the documentation provided at this time, the identification is not comprehensive, and therefore should not be taken as complete for purposes of guiding public disclosure.

The Postal Service does intend to provide more specific guidance on commercial sensitivity in the future. We have not, however, been able to prepare that information in time for these submissions, either in the automated form toward which we are working, or otherwise. In other words, we have not been able to identify commercially sensitive content in these records at a level of specificity typically encountered in responding to requests under the Freedom of Information Act (FOIA). We do, however, direct the Commission's attention to materials transmitted to Ms. Crenshaw by letter dated April 4, 2000, in connection with a FOIA request for information related to the Commission's FY 1998 Report to Congress on international mail. We also refer to information that the Postal Service transmitted by letter to Ms. Crenshaw dated August 22, 2000. This information was provided in connection with a FOIA request for the Commission's FY 1999 Report to Congress. While the views expressed in these materials have been refined somewhat and supplemented with respect to new data and information, they substantially represent the Postal Service's positions regarding the types of information that should not be disclosed publicly. Furthermore, the Postal Service expects that any FOIA request for the records provided at this time will entail consultation between the Postal Service and the Commission, in accordance with Department of Justice guidance, before any records are made publicly available.

In general, the Postal Service maintains its position that most of the records submitted in connection with the Commission's annual Report to Congress are internal documents of a commercially sensitive nature that under good business practices should not be disclosed publicly. Accordingly, the Postal Service requests that the Commission withhold all of these materials from public disclosure, except as indicated below, until more information is provided. We will provide more specific guidance as soon as possible.

This limitation does not extend to the domestic cost reports we are filing today – the CRA (PRC Version) and the CSC (PRC Version) – but it does apply to the ICRA and the ICSC.

We have provided multiple copies of the materials submitted. We have provided 15 hard copies of the first level of documentation and 3 copies of the more voluminous second level. We have also provided electronic versions of the second level of documentation. As in the past, we will readily provide more copies, if they are needed. In addition, the Postal Service will provide clarifications or explanations if required.

Sincerely,



for

R. Andrew German
Managing Counsel
Legal Policy and Ratemaking Law

Enclosures